Page 19, line 27, after "can" insert --be--.

Page 20, line 11, after "example" insert --a--.

Page 22, line 15, change "is" to --are--.

Page 24, line 25, delete "the";

line 26, change "matter" to --this--.

IN THE CLAIMS

Please amend claims 4 and 6 by rewriting same to read as follows and cancel claims 3 and 5, without prejudice or disclaimer.

(Thrice Amended) [The] A telephone apparatus [according to claim 3,] for connection to a computer network through a telephone network to establish telephone calls via a server of the computer network, said telephone apparatus comprising:

a first telephone set including:

a first audio input output means for converting input voice into a digital audio signal and for converting an input digital audio signal into output voice, and

a first CPU that executes processing for connecting said first telephone set to said server and selectively compressing or expanding said digital audio signal;

a second telephone set including:

a second audio input/output means for converting input voice into a digital audio signal and for

converting an input digital audio signal into output
voice,

a second CPU that executes processing for connecting said second telephone set to said server and processing for selectively compressing or expanding said digital audio signal,

a modem for connecting to a single telephone line of said telephone network, and

connection control means connected between said modem and said first CPU and said second CPU to enable said first CPU to transmit and receive said first audio data via said server and said second CPU to transmit and receive audio data via said server, wherein said audio data of said first telephone set\and said audio data of said second telephone set are formed as data packets including address data for communicating with said first CPU of said first telephone set and said second CPU of said second telephone set, wherein said server assigns a first address to said first telephone set and a second address to said second telephone set as said address <u>data, and</u> wherein said data packets in clude said first and second addresses in addition to said first and second audio data, and said connection control means recognizes said first and second addresses to deliver said data packets to one of said first CPU and said second CPU in response to said first and second addresses.

Econt



(Four times Amended) [the] A telephone apparatus [according to claim 5,] for connection to a computer network through a telephone network to establish telephone calls via a server of the computer network, said telephone apparatus comprising:

a first telephone set including:

a first audio input/output means for converting input voice into a digital audio signal and for converting an input digital audio signal into output voice, and

a first CPU that executes processing for connecting said first telephone set to said server and selectively compressing or expanding said digital audio signal;

a second telephone set including:

a second audio input/output means for converting input voice into a digital audio signal and for converting an input digital audio signal into output voice,

a second CPU that executes processing for connecting said second telephone set to said server and processing for selectively compressing or expanding said digital audio signal,

a modem for connecting to a single telephone line of said telephone network, and

connection control means connected between said

modem and said first CPU and said second CPU to enable

said first CPU to transmit and receive said first audio